

AMENDED IN ASSEMBLY MAY 4, 2009

AMENDED IN ASSEMBLY APRIL 13, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 1144

Introduced by Assembly Member Price

February 27, 2009

An act to add Section 1367.225 to the Health and Safety Code, and to add Section 10123.197 to the Insurance Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

AB 1144, as amended, Price. Health care coverage: prescriptions.

Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act's requirements a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law requires a health care service plan contract or a health insurance policy that covers prescription drug benefits to provide specified coverage to subscribers, enrollees, and insureds.

This bill would require a health care service plan or a health insurer covering prescription drug benefits to *provide a written report annually* to the Department of Managed Health Care or to the Department of Insurance *that documents* whenever it ~~requires~~ *has required* an enrollee or *an* insured to use certain pain medications prior to providing access to a pain medication supported by a federal Food and Drug Administration approved indication or to a pain medication prescribed by the enrollee's or insured's health care provider, as specified.

Because a willful violation of the bill's requirements with respect to health care service plans would be a crime, it would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 1367.225 is added to the Health and
2 Safety Code, to read:

3 1367.225. (a) A health care service plan that covers
4 prescription drug benefits shall ~~report~~ *provide a written report*
5 *annually* to the department *documenting* whenever it ~~requires~~ *has*
6 *required* an enrollee to do any of the following *during the prior*
7 *year*:

8 (1) Use a pain medication supported only by an off-label
9 indication prior to providing access to a drug supported by a federal
10 Food and Drug Administration approved indication.

11 (2) Use more than two formulary alternative medications prior
12 to providing access to a pain medication prescribed by the
13 enrollee's health care provider.

14 (3) Use a pain medication, other than the medication prescribed
15 by the enrollee's health care provider, for more than seven days
16 prior to providing access to the prescribed medication.

17 (b) The report shall include a statement describing why the plan
18 was authorized to impose the requirement on the enrollee.

19 SEC. 2. Section 10123.197 is added to the Insurance Code, to
20 read:

21 10123.197. (a) A health insurer that covers prescription drug
22 benefits shall ~~report~~ *provide a written report annually* to the
23 department *documenting* whenever it ~~requires~~ *has required* an
24 insured to do any of the following *during the prior year*:

25 (1) Use a pain medication supported only by an off-label
26 indication prior to providing access to a drug supported by a federal
27 Food and Drug Administration approved indication.

1 (2) Use more than two formulary alternative medications prior
2 to providing access to a pain medication prescribed by the insured's
3 health care provider.

4 (3) Use a pain medication, other than the medication prescribed
5 by the insured's health care provider, for more than seven days
6 prior to providing access to the prescribed pain medication.

7 (b) ~~the~~ The report shall include a statement describing why the
8 insurer was authorized to impose the requirement on the insured.

9 SEC. 3. No reimbursement is required by this act pursuant to
10 Section 6 of Article XIII B of the California Constitution because
11 the only costs that may be incurred by a local agency or school
12 district will be incurred because this act creates a new crime or
13 infraction, eliminates a crime or infraction, or changes the penalty
14 for a crime or infraction, within the meaning of Section 17556 of
15 the Government Code, or changes the definition of a crime within
16 the meaning of Section 6 of Article XIII B of the California
17 Constitution.